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ABSTRACT

This 1979 report, using data from the 1977-78 academic year, presents cost and enrollment figures for Catholic high schools, along with brief explanations of the tables. About 200 Catholic high schools were selected to reflect types (private, diocesan, and parish schools), enrollment sizes (by five levels), and geographic location. In the first half of the book, nine tables supply figures on the following: (1) public and private school enrollment trends, (2) private school enrollments, (3) sample high schools (by type and enrollment size), (4) revenue (by sources), (5) percentage of revenue sources (by school type), (6) per pupil costs (by type of school), (7) tuition (by enrollment level), (8) operating expenses (by percentages), and (9) pupils per professional staff member. The second half of the book contains tables of 15 financial models, by enrollment and type, including figures for the contributed services of religious personnel. The appendices list the 200 schools reflected in the report, present financial models without contributed services, and reproduce a copy of the questionnaire used to gather the statistics. (Author/LD)

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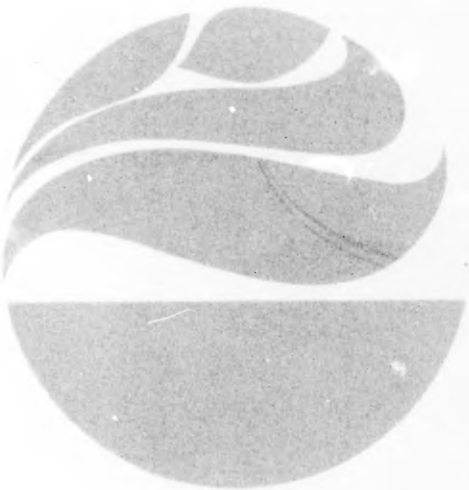
# Catholic High Schools And Their Finances 1979



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# Catholic High Schools And Their Finances 1979

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# INTRODUCTION

In 1978 the National Catholic Educational Association published a report on Catholic High Schools and Their Finances and distributed it to their own membership. Letters of commendation were received from bishops, chancellors, superintendents and principals indicating that interest in this area was very high.

And so, this study has been replicated for 1979 using data on the 1977-78 academic year. Analysis is very clear, and in some ways extremely precise and insightful.

We are indebted to Father Frank Bredeweg, C.S.B., NCEA Data Bank Consultant, who carried out this study and guided the analysis. We are also grateful to Mrs. Rhoda Goldstein, the Director of the Data Bank here at NCEA, and to Mrs. Phyllis Kokus for making this report possible.

This material is geared to the secondary level. Again, it relies solely on the information provided by Catholic high schools across the country. A sample has been stratified so efforts include diocesan, parish and private high schools. To those who were included in the final study and all those others who provided information we continue to be most grateful.

The need for this type of data and analysis continues and extends beyond this immediate study into other areas of operating expenses of Catholic schools. Recent hearings in Washington regarding tax credit legislation have indicated the importance of accurate data. It was the inaccurate data which was presented by some governmental agencies that led to a presentation of updated and documented information from NCEA to the Congress regarding some of the inequities being experienced by Catholic schools in receiving allotted shares of appropriated funds in current legislation. It is only by anticipating the type of data and statistics and having them readily available that we can hope to make the case when the appropriate moment arrives.

--John D. Olsen, C.F.X.
Executive Director
Secondary School Department

Catholic High Schools
and Their Finances -- 1979

The financing of Catholic schools continues to be a much discussed question of great importance to private and public education. Catholic elementary and secondary schools remain the major component of private education, and private education remains a significant force affecting the American educational scene, where many things are changing. For example, public school enrollments continue to decline, private school enrollments are either stabilizing or increasing, and the fewer number of school-age children projected for at least the next decade promises additional adjustments (Table 1).

While the goal of education is not just to finance it, realism reminds us that schools do not function well, even exist, unless the financial dimensions are solidly handled. Certainly each of us can recognize an almost unlimited chain of agencies or organizations experiencing financial problems today. Private schools are no different, and even suffer a severe competitive disadvantage, i.e., they do not yet receive any public educational funds, even the share they have paid through their taxes. In this respect, American private schools are almost unique in western civilization, since Canada and most European countries have long recognized the advantages of a public/private school educational partnership.

Into the face of the financial burdens, it is especially meaningful that private schools continue to serve about 10% of the nation's elementary and secondary school children. Most private sectors have increased enrollments in the past decade (Table 2), and the percentage of children served may even increase in the next decade, now that Catholic school enrollments have stabilized. As the following figures show, Catholic high schools have declined only 34,000 pupils since 1974-75:

| | Schools | Pupils | Average Size | Teachers Lay | Teachers Religious |
|---|---|---|---|---|---|
| 1974-75 | 1,690 | 902,000 | 534 | 29,445 | 20,723 |
| 1975-76 | 1,653 | 890,000 | 538 | 30,273 | 19,684 |
| 1976-77 | 1,623 | 882,000 | 543 | 32,004 | 18,590 |
| 1977-78 | 1,599 | 868,000 | 543 | 33,080 | 17,856 |

The shift from religious to lay professional staff is also apparent.

Considering all this, NCEA has again asked (200) sample Catholic high schools to supply financial information, from which national estimates and special analyses can be drawn (Table 3). With a few exceptions, these are the same schools used in last year's report, and comparisons are therefore justified. The schools are selected to reflect types (private, diocesan, parish schools), enrollment sizes (by five levels), and geographic location. Whatever value this report has stems from the school administrators who took the time and made the effort to cooperate in supplying the information. To the (200) schools listed in the appendix, our sincere gratitude.

Table No. 1
Public and Private School Enrollment Trends
1965-66 thru 1976-77

| | Total | Public | Private Pupils | Private % |
|---|---|---|---|---|
| 1965-66 | 49,126,800 | 42,822,000 | 6,304,800 | 12.8 |
| 1970-71 | 51,279,100 | 45,909,100 | 5,370,000 | 10.4 |
| 1971-72 | --- | 46,081,000 | --- | |
| 1972-73 | --- | 45,960,900 | --- | |
| 1973-74 | --- | 45,408,800 | --- | |
| 1974-75 | --- | 45,130,600 | --- | |
| 1975-76 | --- | 44,846,700 | --- | |
| 1976-77 | 49,139,000 | 44,335,000 | 4,804,000 | 9.8 |

Sources:
Statistics of Nonpublic Elementary and Secondary Schools, 1965-66, NCES
Statistics of Nonpublic Elementary and Secondary Schools, 1970-71, NCES
Estimates of School Statistics, 1976-77, National Education Association
Statistics of Nonpublic Elementary and Secondary Schools, 1976-77, NCES

Table No. 2
Private School Enrollments, by Affiliation
1965-66 and 1976-77

| | 1965-66 Pupils | 1965-66 % | 1976-77 Pupils | 1976-77 % |
|---|---|---|---|---|
| Catholic | 5,481,325 | 86.9 | 3,365,000 | 70.0 |
| Lutheran | 188,521 | 3.0 | 228,300 | 4.8 |
| Seventh Day Adventist | 62,603 | 1.0 | 53,300 | 1.1 |
| Baptist | 25,189 | 0.4 | 99,700 | 2.1 |
| Episcopal | 48,582 | 0.8 | 83,700 | 1.7 |
| Jewish | 52,589 | 0.8 | 67,900 | 1.4 |
| Presbyterian | 4,766 | 0.1 | 53,500 | 1.1 |
| Other Sectarian | 99,927 | 1.6 | 148,000 | 3.1 |
| Not Church Related | 341,270 | 5.4 | 704,600 | 14.7 |
| | 6,304,772 | 100.0 | 4,804,000 | 100.0 |

Sources:
Statistics of Nonpublic Elementary and Secondary Schools, 1965-66, NCES
Statistics of Nonpublic Elementary and Secondary Schools, 1976-77, NCES

Table No. 3
Sample High Schools - By Type and Enrollment Size
1977-78

| Enrollment | Private | Diocesan | Parish | Sample | Total | Sample/ Total |
|---|---|---|---|---|---|---|
| 0-300 | 11 | 7 | 8 | 26 | 512 | 5.1% |
| 300-500 | 16 | 19 | 14 | 49 | 386 | 12.7 |
| 500-750 | 25 | 13 | 16 | 54 | 321 | 16.8 |
| 750-1,000 | 18 | 11 | 7 | 36 | 199 | 18.1 |
| Over 1,000 | 13 | 17 | 5 | 35 | 181 | 19.3 |
| Total | 83 | 67 | 50 | 200 | 1,599 | 12.5 |

## General Comments

In many ways, Catholic high schools may be at their finest hour. They have probably never been stronger in terms of faculty degrees and experience, pupil/teacher ratios, academic programs, scholastic achievements, and parental support. All things considered, it is a far brighter picture than many prophesied at the beginning of the decade. Catholic educators can take only a short breath of satisfaction, however, because the American high school scene remains charged with complexities and change, especially in the area of financial demands.

This report tries to meet several needs. First it is important to recognize the financial significance of Catholic high schools and their contribution to American education. Secondly, since Catholic schools do not have a strong tradition of professional accounting and financial management, some principles and guidelines may be helpful to many of today's administrators. Finally, some sort of illustrative "models" or "average schools" may provide financial figures with which your particular school can compare. Consequently, we will first discuss national estimates, then offer constructive comments, and conclude with "average school" operating statements, computed to provide examples for various enrollment sizes and school types.

## Estimate of National Operating Revenues

On the basis of our school sample, Catholic high school supporters nationally raised about $980 million in 1977-78 (Table 4). Most of this (66.1%) came from tuition and fee charges. The value of the services contributed by members of religious communities and clergymen is the second highest revenue factor (13.7%), followed by parish and diocesan subsidies (9.4%). Fund raising comprises 5.9% of the national revenue.

Some definitions and descriptions may help here. Tuition and fees generally reflects the aggregate collected in a particular year, after discounts and financial aid. Contributed services is the difference between the actual wages paid to religious (including personal expenses paid on their behalf) and the salaries paid lay personnel in identical employment at the school. It reflects a religious donation and the income needed as lay staff replace religious. Subsidies are funds from the diocese and from the parish, although religious communities add cash in a few cases. Examples of fund raising are raffles, festivals, bingo, dances, donations, alumni gifts, mom/dad's club activities, etc. The "other income" category is a catch-all category which includes interest on investments, rent, athletic receipts, federal lunch money, and other miscellaneous items which vary greatly from school to school. Analytically, it should be ignored here.

All in all, total national operating revenue increased 6.1% in 1977-78, a reasonable increase but less than the 7.4% of 1976-77. Comparisons by revenue source are:

| | 1976-77 | 1977-78 |
|---|---|---|
| Tuition and Fees | 64.1% | 66.1% |
| Contributed Services | 15.8 | 13.7 |
| Subsidies | 9.8 | 9.4 |
| Fund Raising | 5.3 | 5.9 |
| Other Income | 5.0 | 4.9 |
| Total Revenue | 100.0 | 100.0 |

Total operating revenue is coming more from tuition and fund raising, and less from contributed services and subsidies.

Table No. 4
Secondary School Revenue - By Sources
1975-76, 1976-77, 1977-78

| | Millions of Dollars | | |
|---|---|---|---|
| | 1975-76 | 1976-77 | 1977-78 |
| Tuition and Fees | $545.0 | $592.1 | $633.0 |
| Contributed Services | 140.6 | 146.1 | 140.7 |
| Subsidies | 88.3 | 90.9 | 98.9 |
| Fund Raising | 42.8 | 49.1 | 58.8 |
| Other Income | 43.1 | 45.5 | 49.1 |
| Operating Revenue | $859.8 | $923.7 | $980.5 |

Table No. 5
Percentage of Revenue Sources - By School Type
1977-78

| | Private | Diocesan | Parochial | All Schools |
|---|---|---|---|---|
| Tuition and Fees | 70.6% | 67.6% | 54.5% | 66.1% |
| Contributed Services | 15.6 | 11.2 | 13.6 | 13.7 |
| Subsidies | 1.1 | 13.1 | 21.2 | 9.4 |
| Fund Raising | 7.0 | 4.8 | 5.3 | 5.9 |
| Other Income | 5.7 | 3.3 | 5.4 | 4.9 |
| Operating Revenue | 100.0 | 100.0 | 100.0 | 100.0 |

Types of Schools

There are three types of Catholic high schools, i.e., private, diocesan, and parochial. Private schools are usually owned, administered and financed by a religious community, diocesan schools by the diocese, parochial schools by one or several parishes. Nationally, the following 1977-78 estimate is very close:

| | Schools | % |
|---|---|---|
| Private | 659 | 41 |
| Diocesan | 510 | 32 |
| Parish | 430 | 27 |
| U.S. | 1,599 | 100 |

About 678 Catholic high schools have closed or consolidated since 1967-68. Of these, most (450) were parish high schools, a significant number (211) were private schools, and few (17) were diocesan schools.

Each type of school has a distinctive revenue pattern (Table 5). Private schools receive 70.6% from tuition and fees, and are the most effective at fund raising (7.0%). Parish high schools receive 21.2% of their operating revenue via parish subsidy, and about half (54.5%) from tuition. Diocesan schools are between private and parochial in regard to tuition and fees (67.6%) and subsidies (13.1%). As expected, private schools have the largest share of contributed services. In general, parish schools hold tuition down and rely heavily upon subsidies; diocesan schools charge more tuition but are also subsidized on a diocesan-wide basis; and private schools operated by religious communities receive no parish or diocesan support.

## Estimate of National Operating Expenses

No attempt was made to classify "instructional", "administrative", "maintenance" expenses at this time. Only a Total Operating Expense figure was sought which correctly included the value of Contributed Services. This total figure is sufficient to evaluate the general financial situation. As will be shown later, however, approximately three-fourth (75%) of all operating expenses are spent for salaries and fringe benefits. Since personnel assignments vary greatly from one school to another, comparative analysis by categories is very difficult, and this was additional reason not to attempt sophisticated classifications.

As indicated below, total funds spent for operating expenses in 1977-78 were about $914 million, or $58 million (6.8%) more than in 1976-77. When contributed services are excluded from the valuation, about $773 million was spent, or $63 million (8.9%) more than in 1976-77. The following is an overview of the past three years:

| With Contr.Services | 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Operating Revenue | $860 Million | $923 Million | $980 Million |
| Operating Expenses | $801 Million | $856 Million | $914 Million |
| Available for Debt and Capital Exp. | $ 59 Million | $ 67 Million | $ 66 Million |
| Enrollment | 890,000 | 882,000 | 868,000 |
| Per Pupil Cost | $900 | $963 | $1,053 |
| Per Pupil Tuition and Fees | $612 | $671 | $ 729 |
| **Without Contr.Services** | | | |
| Operating Revenue | $719 Million | $777 Million | $839 Million |
| Operating Expenses | $660 Million | $710 Million | $773 Million |
| Per Pupil Cost | $758 | $816 | $905 |

Both revenue and expenses include contributed services of $141 million in 1975-76, $146 million in 1976-77, and $141 million in 1977-78. Operating funds available for debt retirement and capital improvements remained at about $66 million in 1977-78.

Basically a school needs operating revenue sufficient to cover operating expenses, ordinary capital expenditures, and the principal and interest payments on any existing debt. If a major construction program is underway, a capital fund drive usually tries to pay for it. In terms of operating revenue and expenses, there should be an operating gain capable of maintaining a stable financial position. If not, a school soon spends reserves, if there are any, or annually looks to someone for subsidy.

No attempt was made in this report to gather financial figures on capital expenditures or debt retirement. Schools were encouraged, however, to include all expenses except major capital expenditures, e.g., new buildings or a building addition. In 1976-77, debt retirement payments were needed by sixty (60) of the (200) schools, or 30%. The average payment in 1976-77 was $51,845 for the (60) schools with a debt. It appears that debt payments are a significant factor in many cases. However, the majority of schools do not appear to be directly burdened with this responsibility, either because no debt exists or because the obligation is assumed by the diocese, parish, or religious congregation.

Table No. 6
Per Pupil Costs - By Type of School
1970-71 through 1977-78

| | With Contributed Services | | | Without Contributed Services | | |
|---|---|---|---|---|---|---|
| | Private | Diocesan | Parish | Private | Diocesan | Parish |
| 1970-71 | $ --- | $ --- | $ --- | $ 590 | $ 490 | $ 490 |
| 1971-72 | --- | --- | --- | --- | --- | --- |
| 1972-73 | --- | --- | --- | 639 | 576 | 576 |
| 1973-74 | --- | --- | --- | 693 | 616 | 616 |
| 1974-75 | --- | --- | --- | --- | --- | --- |
| 1975-76 | 986 | 845 | 839 | 808 | 733 | 709 |
| 1976-77 | 1,044 | 910 | 902 | 862 | 796 | 766 |
| 1977-78 | 1,147 | 989 | 979 | 963 | 877 | 844 |

Per Pupil Costs

National estimates are interesting and helpful, but more sophisticated analysis is needed. Several major factors affect "operating expenses", e.g., the professional salary scale, fringe benefits, academic programs, the pupil/staff ratio, and the enrollment level. Major savings can sometimes be achieved through "tightening up" policies regarding instructional, administrative, and maintenance purchases, but the focus will probably be upon people and programs when the financial situation is serious.

Per pupil costs are often used as a measure of efficiency or as a point of comparison. Including contributed services, 1977-78 private school per pupil costs increased $103 over 1976-77, diocesan per pupil costs increased $79, and parish school per pupil costs $77. Diocesan and parish per pupil costs are very close, while private school per pupil costs are higher. Care must be taken in evaluating and comparing per pupil costs. As a quick measure, however, these costs are often helpful. It is noteworthy that the National Education Association estimates per pupil costs in public schools at $1,634 for all grades in 1977-78, a $140 per pupil increase (9.4%) over the $1,494 per pupil cost of 1976-77.

Revenue and Expense Trends

While it has just been stated that national operating expenses increased 6.8% with and 8.9% without contributed services, it must be remembered that the totals involved reflect (24) schools fewer than in 1976-77. A more realistic look at revenue and expense trends can be achieved by comparing totals of the (200) sample schools. Using 1975-76 as the base year, the following index indicates that operating revenue and expenses increased in a stable manner during 1976-77, but that operating expenses soared past the normal revenue increases during 1977-78:

| | With Contr. Services | | Without Contr. Services | |
|---|---|---|---|---|
| | Revenue | Expenses | Revenue | Expenses |
| 1975-76 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1976-77 | 107.6 | 106.9 | 108.4 | 107.6 |
| 1977-78 | 115.8 | 116.7 | 118.1 | 119.2 |

In short, leaving aside contributed services, 1977-78 operating revenue increased about 9% over 1976-77, but expenses increased 11%. Expenses in 1977-78 were 19.2% more than the 1975-76 level, while revenue had increased only 18.1%. The cost and inflationery squeeze of our time seems to have taken an especially severe turn last year in these schools.

Table No. 7
Average Tuition & Costs - By Enrollment Level
1977-78

| | Per Pupil Averages | | Tuition/Costs | |
|---|---|---|---|---|
| Private (83) | Tuition | Costs | 1976-77 | 1977-78 |
| Under 300 | $ 789 | $1,222 | 61.8% | 64.6% |
| 300-500 | 769 | 1,133 | 68.6 | 67.9 |
| 500-750 | 772 | 1,165 | 69.9 | 66.3 |
| 750-1000 | 949 | 1,269 | 77.0 | 74.8 |
| Over 1000 | 814 | 1,019 | 80.8 | 79.9 |
| Diocesan (67) | | | | |
| Under 300 | $ 639 | $1,083 | 56.5% | 59.0% |
| 300-500 | 606 | 1,017 | 57.2 | 59.6 |
| 500-750 | 664 | 1,017 | 61.7 | 65.3 |
| 750-1000 | 696 | 958 | 66.9 | 72.7 |
| Over 1000 | 686 | 946 | 74.0 | 72.5 |
| Parochial (50) | | | | |
| Under 300 | $ 498 | $1,237 | 42.7% | 40.3% |
| 300-500 | 486 | 972 | 50.1 | 50.0 |
| 500-750 | 554 | 940 | 60.3 | 58.9 |
| 750-1000 | 529 | 871 | 62.4 | 60.7 |
| Over 1000 | 590 | 1,053 | 60.9 | 56.0 |

Enrollment Levels

Perhaps the most frequently asked question at many seminars of the past few years is: What size should a school be to be efficient? Along these lines, our (200) schools are divided into five enrollment categories and per pupil costs are computed for all types and sizes. The valuation for contributed services is included here. A national per pupil cost for all schools was previously estimated at $1,053, of which $729 (69%) came from tuition.

Table No. 7 illustrates that 1977-78 per pupil costs are highest in the smaller schools. Private schools regress from $1,222-1,019; diocesan schools from $1,083-946; parish schools from $1,237-1,053. The percentage of costs covered by tuition and fees is also shown by enrollment size. It is also clear that the percentage of expenses covered by tuition and fees increases as the school gets bigger. This probably reflects a kind of limit to the amount of revenue which can be raised from contributed services, fund-raising, and even subsidies, leaving tuition to supply the needed difference. Finally, in most cases, the percentage of expenses covered by tuition and fees declined in 1977-78.

Enrollment is both a revenue and an expense factor. Once the professional staff is under contract and the school is ready, the number of pupils paying tuition is a revenue factor. In this regard, per pupil cost calculations affected by enrollment fluctuations can be misleading. On the other hand, enrollment is realistically an expense factor in that about 40% of a school's operating expenses are "fixed", e.g., salaries for administration and maintenance, most administrative and maintenance purchases, utilities, insurance, library, guidance expenses, etc. This expense base is necessary aside from the variation in the number of pupils sharing it, and larger schools are capable of distributing it over more students.

Table No. 8
Analysis of Operating Expenses - By Percentages
1977-78

| | Private | Diocesan | Parish | All Schools |
|---|---|---|---|---|
| Salaries & Benefits-Prof. Lay Staff | 39.6% | 47.0% | 46.6% | 43.6% |
| Salaries & Benefits-Prof. Relig. Staff | 12.0 | 8.8 | 8.2 | 10.1 |
| Contributed Services-Religious | 16.1 | 11.4 | 13.9 | 14.0 |
| Salaries & Benefits-Supporting Staff | 8.0 | 8.5 | 7.8 | 8.2 |
| All Other Expenses | 24.3 | 24.3 | 23.5 | 24.1 |
| Total Operating Expenses | 100.0 | 100.0 | 100.0 | 100.0 |

Analysis of Operating Expenses

As mentioned earlier, no attempt was made to classify expenses as "instructional", "administrative", "maintenance", etc. Definitions are sometimes arbitrary and the results might not warrant the effort requested. It is important, however, to recognize that about three-quarters of all funds expended are for salaries and fringe benefits. All of the remaining operating expenses, e.g. instructional supplies and equipment, maintenance supplies and repairs, administrative expenses, guidance, library, utilities, insurance, losses on cafeteria or bussing or athletics, etc. comprise about one-fourth of the budget.

Each of the school types spends about 24% on "all other expenses" (Table 8). In additon,each school type spends about 8% for salaries and fringe benefits of the supporting staff, e.g. administrative and clerical staff, business office assistants, secretaries, maintenance technicians and workers, etc. In regard to professional staff members, however, there are some variations. Combining the compensations actually paid with the services contributed by religious, the following percentages shown above reflect the share of total expenses needed for professional staff salaries and benefits:

| | Lay | Religious |
|---|---|---|
| Private | 39.6% | 28.1% |
| Diocesan | 47.0 | 20.2 |
| Parish | 46.6 | 22.1 |

Private schools rely more heavily upon members of religious communities, whereas almost half of the funds expended by diocesan and parish schools are for salaries and benefits of lay professional staff.

These percentages make it clear that serious financial problems will usually involve adjustments of people or salaries. On the other hand, no disrespect is intended "all other operating expenses" or capital improvements. A dollar not spent in any account is a one dollar advantage. Perhaps the most powerful stimulus to keep in mind when trying to improve the annual "operating picture" is that changes have an annuity effect. For example, if you can identify and change something worth $1,000 this year, then you have truly accumulated $5,000 over the next five years. This is not just pleasing mathematics, it would happen. Looking back also illustrates the point. Almost without exception in the course of evaluating schools in financial trouble, several items or areas can be changed so as to produce a financial advantage. Yet the less advantageous approach or habit had been operative for as long as memory served. Improving the operating picture is both an art and a science, and its rewards are long-lasting.

Table No. 9
Pupils Per Professional Staff Member
1977-78

| Enrollment | Private | Diocesan | Parish |
|---|---|---|---|
| 0-300 | 11.5 | 13.7 | 13.4 |
| 300-500 | 14.5 | 16.2 | 14.7 |
| 500-750 | 15.3 | 17.5 | 17.6 |
| 750-1000 | 16.1 | 17.7 | 18.1 |
| Over 1000 | 19.6 | 19.0 | 18.6 |

Pupil/Staff Ratios

Another of the objectives of this report was to identify relationships between pupil/staff ratios and financial stability. This is probably the most overlooked and underestimated aspect of financial analysis and management. Involved are the size of classes, the courses offered, the administrative structure, varying or lightened teaching loads, and many subjective dimensions. In short, it is your professional staff and how efficiently it is used. For our purposes, all professional staff members are included, i.e., classroom teachers, principals, librarians, guidance counselors, business managers, disciplinarians, etc. It is not enough to consider only classroom teachers and a pupil/teacher ratio. The non-teaching professional staff is a significant sector, sometimes encompassing 5-10 staff members. Financially, these salaries are usually based upon the current teacher scale.

As Table 9 shows, the number of pupils per each professional staff member increases as the size of the school increases. The trend is remarkably true, occurring without exception for each type of school. In addition to the previously mentioned problem of providing certain specialists for relatively few students, e.g., librarian, guidance counselors, academic programmers, disciplinarian, the offering of a variety of courses in a smaller school would tend to produce small classes.

Whatever the causes, the ratio of pupils/staff is financially pivotal and going in the wrong direction economically, at least as indicated by our sample schools. The following comparison illustrates that the ratio is lower for each type of school in 1977-78:

| | 1976-77 | 1977-78 |
|---|---|---|
| Private | 16.7 | 16.4 |
| Diocesan | 17.9 | 17.5 |
| Parish | 17.6 | 17.0 |
| All Schools | 17.3 | 16.9 |

It is debatable, of course, what a particular school's pupil/staff ratio should be, but there is no doubt that a higher ratio is economically advantageous.

On the basis of our (200) sample schools, the following economic standards could be assigned to specific pupil/staff ratios:

| | |
|---|---|
| Over 20:1 | Grade "A" |
| 18 - 20:1 | "B" |
| 16 - 18:1 | "C" |
| 14 - 16:1 | "D" |
| Less than 14:1 | "F" |

Many other values are obviously involved in the selection and composition of the school's professional staff, but the point here is that this aspect is often critical and must be faced.

## The Need for Sound Financial Management

Perhaps financial systems and management are missing from many Catholic schools today because to concentrate upon monetary matters was in the past considered to be contrary to the spirit of religious vows or Catholic theology. If so, it should be clear now that only an excessive and exclusive concentration is unhealthy and that finances are a human resource, neither good nor bad in themselves, to be used in good stewardship just as health, time, intelligence, or any other resource available to us. To those who fear that financial matters will become the all-powerful factor in all decisions, it must be remembered that money is neutral and that the value-judgments always remain with the person or group empowered. It is essential, however, to recognize how many dollars you are exchanging for a particular result. Sometimes, of course, finances do dictate the decision since, even though profits are not the school's objective, school closes when losses are too frequent or too heavy.

There is little doubt that Catholic schools, and for that matter the entire education industry, need better fiscal management. Most religious community members and clergymen have had very little exposure or training in this field. Yet, since high schools are now large financial enterprises, principals, religious superiors, and board members regularly make significant monetary decisions. Some administrators are financially experienced and well informed, others seek the best available advice and sort it out, and some charge into the unknown. It is probably a safe statement to say that Catholic schools today cover the entire managerial spectrum, from chaos to control.

## What is it?

There are two basic aspects to sound financial management, the technical accounting "system" and the "management" dimension that interprets, judges, and relates this information to policies. The "system" may or may not be elaborate. Computers, accounting machines, manual systems are merely techniques used to perform necessary functions and to capture information. I have installed totally manual systems which I defy machines or computers to out-perform. At the same time, depending upon volume, objectives and personnel, machine and computer systems can facilitate remarkable analysis and planning. The point here is two-fold: (1) any technique which is efficient and keeps you up-to-date is satisfactory, (2) this system must be oriented towards the analysis and management of your particular operation.

This orientation towards analysis is what enables financial management to play its crucial role. Without such a system, analysis is usually too hard, too time-consuming, too imprecise, too disruptive to the regular routine. Information, judgments, planning, policy changes, intelligible financial statements, revenue objectives, expense priorities, these are all elements essential to financial management today.

It is important that newcomers to financial management not be overwhelmed or confused by terms and professional phrases. Financial reports must be intelligible to those involved in decision-making. Unfortunately, some schools are audited annually and have little understanding of the CPA report. I am aware of school administrators who have turned to professional advice and come away either with information they can't read or with a product that does not seem to understand Catholic education. Sound financial management is more a matter of technique, hard work, and basic intelligence than it is fanciful strokes of financial genius.

## Budgeting and Planning

The word "budget" is used in various ways. It could mean the limit placed upon a department's expenses this year. For this, expenses must be recorded no less than monthly and the limit must be enforceable. If limits can not be enforced, then "budget" means a guide-line, a limit unless there is reason to adjust it. If "budget" means the present estimate of next year's financial operation, then it is subject to refinement and precisions until shortly after school is opened (e.g. final enrollment, last minute staff changes, etc.). Sometimes "budget" is a long-range estimate, in which case it is a kind of plan. All of these meanings reflect necessary and intelligent administrative functions. There is no point in trying to argue for a particular definition.

What is important, however, is that these budgeting and planning functions are present, and that they are tuned in to your school's time-table. For example, tuition charges are the most significant financial consideration in the mind of the parent, and salaries are far and away the major share of the school's expenses. Since tuition for the following year must usually be set in the Fall, it is pivotal that salary scales be set at the same time. To think that you can raise salaries to a particular level without positing where the needed revenue will come from next year is to court the possibility of a major loss. The point is that budgeting and planning do not happen in the abstract. Policies must be carefully matched with a time-table.

Long-range and short-range planning are popular terms today. The question is how many years are short and long. Since we must concentrate heavily upon these immediate years, I define "short" as up-dating figures for the current year and extending them almost simultaneously into next year's budget. As the current year progresses, you must make decisions affecting next year. In this context, "short" is this year and next year, and "long" is the following three years. Considering the variables of the future, especially religious staff members, planning beyond this period borders upon rash speculation.

## Concentrating Upon the "Operating Picture"

Stressing operating revenues and expenses means that management looks upon its present operating gain for long-range survival. Some Catholic educators still retain notions that everything will eventually work out, that if a real showdown came the school would eventually be bailed out by the religious community, diocese or parish, that a large scale fund drive is always a last resort, that the accumulated reserves can cover any current problems. These are ways of trying to avoid the arduous task of financial management.

Once your financial operation is recorded in such a way as to be understood, every item of revenue and expense can be evaluated with the realistic potential of being changed. Every dollar figure in a financial statement is a reflection of a human activity going on at your school. Most of the time, another policy or approach is possible. Administrators and board members must be open to evaluating and justifying what has always been done. Perhaps past wisdoms have been the best, in which case they will stand the test. However, if something of the past cannot withstand evaluation, it is time for change.

THE TEN COMMANDMENTS OF
SOUND FINANCIAL MANAGEMENT

THE ACCOUNTING SYSTEM (PERFORMING THE NECESSARY FUNCTIONS)

I. Receive and disburse CASH accurately, quickly and in a manner whereby you can trace and analyze transactions.

II. Adopt PAYROLL accounts and procedures which not only meet government reporting requirements but also facilitate a clear understanding of payroll related expenditures and policies.

III. Design all aspects of STUDENTS ACCOUNTS RECEIVABLE (e.g. payment policies, recording, billing, collection) both to protect the school and to suit your constituents, and then enforce your policies promptly and firmly.

IV. Account AUXILIARY SERVICE & ACTIVITIES (e.g. bookstore, cafeteria, athletics, mothers' club, yearbook, science club, etc.) so as to match related income and expense items, and to enable quick analysis.

V. Structure GENERAL LEDGERS AND JOURNALS toward few accounts, a minimum of re-writing, quick balance and bank reconciliation, and easy analysis.

FINANCIAL MANAGEMENT (MANAGING...CONTROL, ANALYSIS, POLICIES, PLANS)

VI. Prepare your financial reports so that they can be UNDERSTOOD by administrators and by decision-making groups. Financial statements must be intelligible before they can begin to be useful.

VII. Construct a REVENUE BUDGET, which realistically reflects your objectives and sources, and compare it regularly with actual performance.

VIII. Construct an EXPENSE BUDGET, which realistically evaluates your needs and priorities, and compare it regularly with actual performance.

IX. Assume the responsibility for effective SHORT-TERM PLANNING (i.e., 2 years). Events of the near future often affect today's decisions.

X. Assume the responsibility for constructive LONG-RANGE PLANNING (i.e., 3-5 years). You should at least have a tentative look at how the incoming freshman class will be affected financially.

"Development" Programs

A few years ago, and it continues today, there was an upsurge of interest in development and fund-raising programs. Taken in the proper perspective, development programs are integral partners in a healthy revenue picture. However, it seems that many institutions were at that time seeking a quick and easy solution, a new "pot of gold" to substitute for the just defeated tax credit bill of 1973.

Personally, I believe that a desirable development program should promote an acceptance of the revenue items which are annually raising funds for your school (tuition, raffles, Moms' Clubs, Dads' Clubs, donations, scholarships, athletics, band, etc.) as its on-going objective, and then handle the "big drive" for one large amount (classrooms, gym, debt retirement) only when occasion arrives. The point here is not to play down a development program, but to keep such a program from interfering with a strong "operating picture" approach. I believe that most professionals in the development field would agree with this. An overemphasized "development drive" can sap the energy from annual fund raising events, only to find that the big drive funds are soon exhausted and another development drive is needed.

## Ten Key Financial Factors

Various influences are bringing about today's financial problems in Catholic high schools. While the following causes are not intended to constitute an exhaustive list, one or many of them are probably at the root of the problems your school may have. Two of these factors are in the nature of preliminary conditions, while the others directly affect either revenue or expenditures.

As for unhealthy preliminary situations, there may be a lack of administrative or managerial talent, and there may be a lack of a good accounting system. Without going into the question of what makes a good executive, many schools do not properly select and prepare their administrators, nor is there training for board or council members. Another aspect is the annual turn-over of leadership personnel. Of the 200 sample schools in this report, there were 38 new principals in 1978-79. As for system, a lack of good accounting procedures produces the expected chaos, e.g. inefficient production, little or no information, bad debts, time delays.

In regard to revenue, all aspects of tuition are very important, e.g. what is charged, how well collected, what discounts or scholarships are allowed. The philosophy behind the parish or diocesan subsidy affects the entire revenue picture and must be carefully determined with the appropriate authorities in order to know what amount or percentage can be expected now and in the immediate years ahead. The number of religious community members at the school and the evaluation of their contributed services can significantly affect a school's financial position. Finally, the increase of income from fund raising reflects the success many schools have had in asking parents and friends to concentrate upon their school for many programs and activities. On the whole, whenever the revenue "package" is not feasible, not put together realistically, the school is headed for financial problems.

As for expenditures, the most important factor is obviously the professional staff payroll. Consequently, changes in enrollment and the relationship to staff (pupil/staff ratio) must be faced and controlled, even at the cost of fewer courses and a reduced curriculum. A lack of sound budgeting will often mean that major items are not planned simultaneously, e.g. tuition and salaries, or that no spending controls exist. Even with good information and budgets, managerial analysis is often needed in order to understand and improve costly situations, e.g. why are auxiliary services losing money, should athletic policies be changed, what can be done about utility and maintenance costs, printing costs, etc. Finally, and this seems to apply to about one-third of Catholic high schools, the debt structure may be draining cash and call for re-financing or revision.

## Conclusion

In the pages following the "Summary Comments", many of these factors will be referred to, as "models" and "averages" of various school types are presented. The (200) sample schools are divided into the (5) enrollment ranges already used, and averages for the private, diocesan, and parish schools in each range have been computed. The value of the contributed services of religious and clergymen is included in the first set of tables, but is excluded from the tables in Appendix B. We hope that these averages provide some sort of guideline or measuring-stick for your own school's financial operation, and that they illustrate many of the comments we have been making.

## Summary Comments

This report was born out of the 1976-77 National Center for Education Statistics (H.E.W.) survey of private schools, in that 500 of the 1,600 Catholic high schools in the country were identified as able to answer a few basic financial questions. From these, a representative sample of 200 schools was then constituted to reflect various types, sizes, and locations. If the 1976-77 ratio is still valid, it may be that two-thirds of our Catholic high schools cannot answer these basic operational questions on finance. It could also be that they chose not to answer, but the more probable possibility that they are not able should be a cause of great concern.

Catholic high school students, parents, staff, and supporters are no doubt extremely concerned today with financial matters. More than this, however, the entire system of American education should be equally concerned. Despite the burdens assumed by operating without public administrative and financial support, private schools clearly remain a significant partner in our nation's elementary and secondary educational future. The stabilization of Catholic schools and the continued growth of other nonpublic school sectors make it clear that many parents and children prefer private schools to public schools. To choose a private school should be a realistic educational option, as it is in most countries of western civilization.

Financially, the Catholic high school situation continues to tighten. Operating expenses have increased dramatically in recent years, mostly because of the schools' efforts to raise salary levels. Tuition charges, which were low in past decades, now produce two-thirds of all revenue and may be approaching the saturation point for times as economically demanding as the present. The total dollar value of the services contributed by members of religious communities and clergy began to decline in 1977-78, and this revenue must now be raised from other sources. Administrators and leaders face many hard and unpopular decisions precipitated by financial considerations.

From the standpoint of financial expertise and management, many schools have much to learn, but hopefully they will meet this challenge as they have so many others. At the present, some schools seem to handle their financial affairs very professionally, while others do not even see the problem. Most are probably between these extremes. In the world of things to be done, a strong and good leader who can prudently integrate the financial dimension into the many decisions of each day is a very precious commodity in Catholic education today.

The situation is indeed a challenge. Whatever the outcome, the proper use of finances is just as noble as other efforts put forth over the centuries. The list of needs, missions, and apostolates crying out for attention today is unending. Financial resources can be an instrument in satisfying some of these needs, just as natural resources or a person's time, talent and health are instruments. In such a context, therefore, we hope that this report is of assistance to you in your effort.

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NCEA Consultant on School Finances

## Financial Averages and Models

In the next few pages, we have computed (15) financial operations, in order to illustrate some of the causes and factors we have been citing, and to provide a model "composite school" with which your school can identify. We are often asked for financial "models", but rather than isolate one school subject to its particular circumstances, we have computed averages for each of the types, i.e., private, diocesan, and parish schools by each of the five enrollment levels. These computations include the contributed services of religious personnel. Averages without contributed services are in the Appendix.

Keep in mind that these "average" schools should not be viewed in the abstract. The figures reflect composites of the concrete and dynamic institutions listed in the appendix.

### Under 300 Enrollment

This is the smallest sample (26 of 512). The administrative burdens of small schools traditionally prevent them from developing accounting techniques and producing the subsequent reports. This lack of information can often lead to tragic financial situations, but we certainly hope that it has not done so in these instances. In any event, we can only use what we have. In our comments, we are trying to accentuate the factors already mentioned.

### Private Schools

Private School 194 (the enrollment) fell into an $8,200 operating loss during 1977-78. Tuition and fees increased $13,600 (9.8%), but contributed services declined $9,300 and subsidies (from religious communities) decreased $6,800. Operating costs increased a reasonable $11,600 (5.1%). Enrollment declined slightly and the pupil/staff ratio remains low at 11.5 pupils to each professional staff member. Serious attention should be given to a re-evaluation of the academic program to determine whether or not the pupil/staff ratio can be improved.

### Diocesan Schools

Diocesan School 264 turned last year's $3,100 loss into a $4,200 gain. Tuition and fees increased $15,000 (9.8%), partly due to a small but helpful enrollment increase. Fund raising produced an additional $8,600 in 1977-78 and contributed services remained at about $42,000. Costs increased a modest $13,800 (5.1%). The pupil/staff ratio is a low 13.7 to 1.

### Parish Schools

Parish School 228 appears to be back to a balanced budget after dropping from a 1975-76 $6,900 gain to a 1976-77 $3,100 loss. However, costs increased a healthy $31,100 (12.4%). Tuition revenue increased only $6,400 (6.0%), and most of this was the result of ten additional pupils. Basically the parish was forced to increase their subsidy by $41,800. Additional fund raising ($5,100) could not off-set the $24,300 decline in contributed services. The pupil/staff ratio of 13.4 to 1 is also very low and very expensive. All things considered, this school must manage its finances with great care in the immediate years ahead.

Financial Averages and Models
School Enrollment...under 300
Including Contributed Services

| Private Schools (11) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $134,700 | $139,400 | $153,000 |
| Contributed Services | 54,100 | 55,100 | 45,800 |
| Subsidies | 4,700 | 10,300 | 3,500 |
| Fund Raising | 8,700 | 8,500 | 9,600 |
| Other Income | 13,200 | 15,000 | 17,000 |
| Operating Revenue | $215,400 | $228,300 | $228,900 |
| Operating Expenses | $208,600 | $225,500 | $237,100 |
| Operating Gain (Loss) | $ 6,800 | $ 2,800 | $ (8,200) |
| Enrollment | 199 | 201 | 194 |
| Professional Staff | 15.3 | 16.5 | 16.9 |
| Ratio: Pupils/Staff | 13.0/1 | 12.2/1 | 11.5/1 |
| Per Pupil Operating Cost | $ 1,048 | $ 1,121 | $ 1,222 |
| Per Pupil Tuition & Fees | $ 677 | $ 693 | $ 789 |

| Diocesan Schools (7) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $140,100 | $153,600 | $168,600 |
| Contributed Services | 40,900 | 41,700 | 41,900 |
| Subsidies | 54,900 | 47,500 | 43,100 |
| Fund Raising | 14,600 | 18,500 | 27,100 |
| Other Income | 7,500 | 7,500 | 9,200 |
| Operating Revenue | $258,000 | $268,800 | $289,900 |
| Operating Expenses | $254,900 | $271,900 | $285,700 |
| Operating Gain (Loss) | $ 3,100 | $ (3,100) | $ 4,200 |
| Enrollment | 259 | 255 | 264 |
| Professional Staff | 19.1 | 18.3 | 19.2 |
| Ratio: Pupils/Staff | 13.6/1 | 13.9/1 | 13.7/1 |
| Per Pupil Operating Cost | $ 984 | $ 1,066 | $ 1,083 |
| Per Pupil Tuition & Fees | $ 541 | $ 602 | $ 639 |

| Parish Schools (8) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $104,300 | $107,100 | $113,500 |
| Contributed Services | 73,300 | 89,300 | 65,000 |
| Subsidies | 31,700 | 29,000 | 70,800 |
| Fund Raising | 3,100 | 3,300 | 8,400 |
| Other Income | 14,000 | 18,900 | 24,300 |
| Operating Revenue | $226,400 | $247,600 | $282,000 |
| Operating Expenses | $219,500 | $250,700 | $281,800 |
| Operating Gain (Loss) | $ 6,900 | $ (3,100) | $ 200 |
| Enrollment | 220 | 218 | 228 |
| Professional Staff | 15.8 | 15.8 | 17.1 |
| Ratio: Pupils/Staff | 13.9/1 | 13.8/1 | 13.4/1 |
| Per Pupil Operating Cost | $ 998 | $ 1,150 | $ 1,237 |
| Per Pupil Tuition & Fees | $ 474 | $ 491 | $ 498 |

## 300-500 Enrollment

Forty-nine (49) of the schools included in this report are in this enrollment range. There are solid examples of private (16), diocesan (19), and parish (14) schools. We have included 1975-76 and 1976-77 figures throughout so that comparisons can be made and analysis can reflect the changes which schools face from year to year. For purposes of reference, we will continue to comment as if one special school existed, rather than a composite. Since the figures average such a homogeneous group, there are aspects of truth in treating the composite as one particular school.

## Private Schools

Private School 420 continues to operate slightly in the black. Enrollment and staff remained about the same. Tuition and fees increased $18,000 (5.9%) and fund-raising $17,500. Operating costs increased $31,700 (7.1%). The pupil/staff ratio of 14.5 to 1 would receive an economic grade of "D". The school is financially stable if there are no major capital improvements nor any debt payments.

## Diocesan Schools

Diocesan School 429 received about $5,900 more in diocesan subsidies during 1977-78 and this enabled it to break even. Tuition and fees increased $28,800 (12.5%). Most of this increase resulted from tuition increases, although about $3,000 came from (5) additional pupils. Operating costs increased $31,500 (7.8%). The pupil/staff ratio of 16.2 to 1 would receive an economic grade of "C".

## Parish Schools

Parish School 428 is another knowledgeable and well managed school. Total revenue increased $24,900 (6.2%)to cover operating cost increases of $26,600 (6.8%). Most of the revenue increase came from tuition and fees income ($13,500), which was aided by (5) additional students. The professional staff was increased to 29 full-time persons, which reduced the pupil/staff ratio to 14.7 to 1. Economically, this brings about a more costly operation, but school management seems to have made a deliberate choice and to have provided the necessary funds.

## Comments

At this enrollment level, private school tuition and fees cover 68% of the costs ($769/1133). Diocesan school tuition and fees cover 60% of their costs ($606/1017), and parish schools 50% ($486/972). Revenue from contributed services struggled to stay at last year's amount, which probably reflects a slight loss in religious personnel, since salaries usually increase.

The diocesan schools in this enrollment category illustrate an important point, i.e., the stated net gain or loss is not the only measure of good financial management when subsidies are involved. In other words, the "bottom line" gain or loss may merely reflect more or less subsidy from the diocese or parish, rather than prudent managerial decisions. Looking at it from the viewpoint of the diocese, additional subsidies may be necessary because of a lack of management and planning.

Financial Averages and Models
School Enrollment...300 - 500
Including Contributed Services

| Private Schools (16) | Private Schools 1975-1976 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $284,500 | $305,100 | $323,100 |
| Contributed Services | 71,000 | 75,200 | 74,200 |
| Subsidies | 25,100 | 25,900 | 19,800 |
| Fund Raising | 24,300 | 24,100 | 41,600 |
| Other Income | 24,100 | 25,600 | 22,600 |
| Operating Revenue | $429,000 | $455,900 | $481,300 |
| Operating Expenses | $423,200 | $444,400 | $476,100 |
| Operating Gain | $ 5,800 | $ 11,500 | $ 5,200 |
| Enrollment | 417 | 420 | 420 |
| Professional Staff | 28 | 28 | 28.9 |
| Ratio: Pupils/Staff | 14.9/1 | 15/1 | 14.5/1 |
| Per Pupil Operating Cost | $ 1,015 | $ 1,058 | $ 1,133 |
| Per Pupil Tuition & Fees | $ 682 | $ 726 | $ 769 |

| Diocesan Schools (19) | Diocesan Schools 1975-1976 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $218,000 | $230,900 | $259,700 |
| Contributed Services | 54,200 | 56,800 | 57,000 |
| Subsidies | 67,400 | 67,800 | 73,700 |
| Fund Raising | 21,300 | 26,700 | 31,800 |
| Other Income | 16,800 | 18,300 | 13,900 |
| Operating Revenue | $377,700 | $400,500 | $436,100 |
| Operating Expenses | $375,900 | $404,200 | $435,700 |
| Operating Gain (Loss) | $ 1,800 | $ (3,700) | $ 400 |
| Enrollment | 430 | 424 | 429 |
| Professional Staff | 26 | 26 | 26.5 |
| Ratio: Pupils/Staff | 16.5/1 | 16.3/1 | 16.2/1 |
| Per Pupil Operating Cost | $ 874 | $ 953 | $ 1,017 |
| Per Pupil Tuition & Fees | $ 507 | $ 545 | $ 606 |

| Parish Schools (14) | Parish Schools 1975-1976 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $171,900 | $194,500 | $208,000 |
| Contributed Services | 56,800 | 59,500 | 59,700 |
| Subsidies | 110,600 | 117,000 | 120,500 |
| Fund Raising | 19,000 | 22,100 | 22,800 |
| Other Income | 13,200 | 11,100 | 18,100 |
| Operating Revenues | $371,500 | $404,200 | $429,100 |
| Operating Expenses | $366,100 | $388,900 | $415,500 |
| Operating Gain | $ 5,400 | $ 15,300 | $ 13,600 |
| Enrollment | 414 | 423 | 428 |
| Professional Staff | 25 | 26 | 29.0 |
| Ratio: Pupils/Staff | 16.6/1 | 16.3/1 | 14.7/1 |
| Per Pupil Operating Cost | $ 884 | $ 919 | $ 972 |
| Per Pupil Tuition & Fees | $ 415 | $ 460 | $ 486 |

## 500-750 Enrollment

Fifty-four (54) of the schools are in this enrollment range. The cross-section of private (25), diocesan (13), and parish (16) schools is again good. It is apparent that schools of this size are over the half-million spending level. Poor management can now be very costly. Board members and administrators cannot afford casual bookkeeping, lack of financial analysis and budgeting, or judgments by instinct alone. These deficiencies should not be tolerated at lower enrollments either, but the consequences now take on much greater proportions.

## Private Schools

Private School 651 apparently decided to raise tuition very little, since tuition and fees income increased only $6,300 (1.3%). Perhaps the school decided that they did not need as large an operating gain as the $39,500 of 1976-77. Whatever the motives, the operating gain returned to the $11,800 level when operating costs increased the normal amount of $48,500 (6.8%). Fund raising income continued to increase ($7,600), but contributed services began to decline ($5,100). The pupil/staff ratio of 15.4 to 1 would grade a "D" economically.

## Diocesan Schools

Diocesan School 653 received about $60,000 (16%) more in tuition and fees during 1977-78, partly due to increased tuition and partly to (17) additional students. Contributed services increased ($7,800), probably representing the same personnel at higher salaries. Operating costs increased considerably also, about $58,100 (9.6%). It appears that the school decided to raise salaries and covered the cost with higher tuitions. The operating margin would have been very little had enrollment not increased. The pupil/staff ratio of 17.5 to 1 grades a high "C".

## Parish Schools

Parish School 651 needed an additional $21,800 from parish subsidy in order to avoid an operating loss in 1977-78. Tuition revenue increased $34,300 (10.5%), in good part from (19) additional students. However, operating costs increased a hefty $70,800 (13.1%), making it necessary to draw greater subsidy from the parish. The pupil/staff ratio of 17.6 to 1 is satisfactory. Fund raising increased again (by $7,100), but contributed services appear to have leveled off.

## Comments

Private school tuition and fees cover 66% of the costs ($772/1165), diocesan schools 65% ($664/1017), and parish schools 59% ($554/940). Revenue from the contributed services of members of religious communities and clergymen declined slightly in private and parish schools, but increased in diocesan schools.

It is apparent that schools in this category increased in enrollment and showed a small operating gain. In 1976-77, however, twenty-one (21) of these schools reported debt retirement obligations averaging $35,000. The figures presented are averages, of course, but it seems that many of these schools must produce an operating gain sufficient to meet significant debt payments.

Financial Averages and Models
School Enrollment...500 - 750
Including Contributed Services

| Private Schools (25) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $454,900 | $496,000 | $502,300 |
| Contributed Services | 126,500 | 131,400 | 126,300 |
| Subsidies | 10,100 | 10,700 | 14,300 |
| Fund Raising | 55,000 | 69,200 | 76,800 |
| Other Income | 35,400 | 42,200 | 50,600 |
| Operating Revenue | $681,900 | $749,500 | $770,300 |
| Operating Expenses | $665,500 | $710,000 | $758,500 |
| Operating Gain | $ 16,400 | $ 39,500 | $ 11,800 |
| Enrollment | 640 | 650 | 651 |
| Professional Staff | 40.2 | 41 | 42.3 |
| Ratio: Pupils/Staff | 15.9/1 | 15.9/1 | 15.4/1 |
| Per Pupil Operating Cost | $ 1,040 | $ 1,092 | $ 1,165 |
| Per Pupil Tuition & Fees | $ 711 | $ 763 | $ 772 |

| Diocesan Schools (13) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $352,900 | $374,200 | $434,100 |
| Contributed Services | 81,600 | 79,800 | 87,600 |
| Subsidies | 91,900 | 95,400 | 94,500 |
| Fund Raising | 33,000 | 32,000 | 37,900 |
| Other Income | 25,100 | 34,600 | 25,900 |
| Operating Revenue | $584,500 | $616,000 | $680,000 |
| Operating Expenses | $580,000 | $606,300 | $664,400 |
| Operating Gain | $ 4,500 | $ 9,700 | $ 15,600 |
| Enrollment | 639 | 636 | 653 |
| Professional Staff | 36.2 | 36.6 | 37.4 |
| Ratio: Pupils/Staff | 17.7/1 | 17.4/1 | 17.5/1 |
| Per Pupil Operating Cost | $ 908 | $ 953 | $ 1,017 |
| Per Pupil Tuition & Fees | $ 552 | $ 588 | $ 664 |

| Parish Schools (16) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $292,200 | $326,200 | $360,500 |
| Contributed Services | 74,700 | 75,400 | 73,300 |
| Subsidies | 101,100 | 99,500 | 121,300 |
| Fund Raising | 28,000 | 38,200 | 45,300 |
| Other Income | 25,700 | 25,700 | 26,900 |
| Operating Revenue | $521,700 | $565,000 | $627,300 |
| Operating Expenses | $506,800 | $541,100 | $611,900 |
| Operating Gain | $ 14,900 | $ 23,900 | $ 15,400 |
| Enrollment | 635 | 632 | 651 |
| Professional Staff | 35.8 | 35.6 | 36.9 |
| Ratio: Pubils/Staff | 17.7/1 | 17.7/1 | 17.6/1 |
| Per Pupil Operating Cost | $ 798 | $ 856 | $ 940 |
| Per Pupil Tuition & Fees | $ 460 | $ 516 | $ 554 |

## 750-1000 Enrollment

Although there are enough schools (36) in this enrollment range to level out unusual variances of a particular school, it may be helpful to point out that the exact number of schools by type (private, diocesan, parish) is not known nationally by enrollment size. The break-down we use is a strong estimate based upon national data for types and sizes. It may also be helpful to mention that the schools selected for this report appear to be sufficiently stable to indicate that they will be operating in the foreseeable future. They may well have financial problems, but their problems seem to be soluble.

## Private Schools

Private School 880 has had another financially stable year in 1977-78. But the financial dimensions have been greatly expanded. Total operating expenses increased a whopping $157,800 (16.5%). In all likelihood, salary scales were adjusted to a much higher level. To meet these costs, tuition and fees were increased $96,900 and fund raising $20,100. Also, more religious increased the staff to 54.6 professional staff members and the contributed services by $12,100. Financial management such as this must be carefully planned and executed.

## Diocesan Schools

Diocesan School 878 was affected by diverse factors in various ways. Operating expenses increased a moderate $42,800 (5.3%). Tuition and fees were increased greatly, by $76,700 (14.3%), partly because of (18) additional students, but also as a way to off-set an anticipated loss of religious personnel and contributed services. When fund raising revenue declined $17,700, the diocesan subsidy had to be increased by $18,900. The pupil/staff ratio remained at about 18 to 1.

## Parish Schools

Parish School 851 apparently anticipated an enrollment decline and planned for it. Total revenue declined $22,500, but operating expenses were reduced $27,800. Fund raising increased $16,400, enabling the parish subsidy to be reduced to $114,200. The pupil/staff ratio of 18.1 to 1 economically grades a "B".

## Comments

At this enrollment level, private school tuition and fees cover 75% ($949/1269) of the operating costs. Diocesan schools cover 73% ($696/958) and parish schools 61% ($529/871). Contributed services increased for the private schools, decreased for diocesan schools, and remained about the same for parish schools.

Debt retirement is an important consideration for many of these schools. In 1976-77, eighteen (18) schools reported annual retirement obligations averaging $51,000. The diocese and the parish usually assume this responsibility for these types of school, but private schools must meet these payments from operations.

Financial Averages and Models
School Enrollment...750 - 1000
Including Contributed Services

| Private Schools (18) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $683,700 | $ 737,800 | $ 834,700 |
| Contributed Services | 173,900 | 173,900 | 186,000 |
| Subsidies | 300 | 600 | --- |
| Fund Raising | 64,400 | 64,000 | 84,100 |
| Other Income | 55,600 | 54,500 | 69,500 |
| Operating Revenue | $977,900 | $1,030,800 | $1,174,300 |
| Operating Expenses | $910,800 | $ 957,800 | $1,115,600 |
| Operating Gain | $ 67,100 | $ 73,000 | $ 58,700 |
| | | | |
| Enrollment | 869 | 880 | 880 |
| Professional Staff | 52 | 52 | 54.6 |
| Ratio: Pupils/Staff | 16.7/1 | 16.9/1 | 16.1/1 |
| Per Pupil Operating Cost | $ 1,048 | $ 1,088 | $ 1,269 |
| Per Pupil Tuition & Fees | $ 787 | $ 838 | $ 949 |

| Diocesan Schools (11) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $496,000 | $ 534,000 | $ 610,600 |
| Contributed Services | 94,000 | 96,000 | 77,400 |
| Subsidies | 91,400 | 97,000 | 115,900 |
| Fund Raising | 33,800 | 39,000 | 21,300 |
| Other Income | 29,900 | 33,000 | 22,200 |
| Operating Revenue | $745,100 | $ 799,000 | $ 847,400 |
| Operating Expenses | $742,800 | $ 797,800 | $ 840,400 |
| Operating Gain | $ 2,300 | $ 1,200 | $ 7,000 |
| | | | |
| Enrollment | 874 | 860 | 878 |
| Professional Staff | 47 | 48 | 49.5 |
| Ratio: Pupils/Staff | 18.6/1 | 17.9/1 | 17.7/1 |
| Per Pupil Operating Cost | $ 850 | $ 928 | $ 958 |
| Per Pupil Tuition & Fees | $ 568 | $ 621 | $ 696 |

| Parish Schools (7) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $426,400 | $ 480,000 | $ 450,600 |
| Contributed Services | 92,900 | 93,700 | 95,500 |
| Subsidies | 120,400 | 137,100 | 114,200 |
| Fund Raising | 20,000 | 24,600 | 41,000 |
| Other Income | 55,300 | 49,000 | 60,600 |
| Operating Revenue | $715,000 | $ 784,400 | $ 761,900 |
| Operating Expenses | $728,400 | $ 769,300 | $ 741,500 |
| Operating Gain (Loss) | $(13,400) | $ 15,100 | $ 20,400 |
| | | | |
| Enrollment | 850 | 866 | 851 |
| Professional Staff | 48 | 47 | 47.0 |
| Ratio: Pupils/Staff | 17.7/1 | 18.4/1 | 18.1/1 |
| Per Pupil Operating Cost | $ 857 | $ 888 | $ 871 |
| Per Pupil Tuition & Fees | $ 502 | $ 554 | $ 529 |

## Over 1000 Enrollment

Large schools have, as you might expect, the lowest per pupil costs and the highest pupil/staff ratios. In general, these schools seem to understand and control their financial situation, and are able to distribute most of the "fixed" costs over more students, e.g., administration and maintenance expenses. Full-time, trained business managers are normally part of the professional staff. Often, the financial statements are audited annually by public accountants. As the totals indicate, these schools now deal with more than one million dollars annually.

## Private Schools

Private School 1365 increased revenue $69,800 (6.7%) to cover an increase in operating expenses of $92,900 (7.2%). The other sources of revenue remained about the same, i.e., contributed services, subsidies, and fund raising. The enrollment remained constant, but the pupil/staff ratio was improved to 19.6 to 1 by reducing the professional staff.

## Diocesan Schools

Diocesan School 1253 continued its enrollment decline. Putting aside the additional $19,000 of diocesan subsidy, it just covered expenses for the year, despite a $34,600 gain in 1976-77. Tuition and fees increased $53,500 (6.6%), but operating costs increased $96,600 (8.9%). Contributed services remained the same, and fund raising increased $8,000. The pupil/staff ratio of 19 to 1 grades a "B" economically.

## Parish Schools

Parish School 1721 also continued its enrollment decline and must now manage its finances very carefully in the future. Since operating expenses increased $225,100 (14.2%) during 1977-78, the parish apparently raised its salary scales significantly. To cover these costs, tuition and fees were increased $49,900 (5.2%), religious staff members were substituted for lay staff to increase contributed services by $34,100, fund raising produced $25,900 more than in 1976-77, and the parish subsidy was increased by $48,900. When all this was done, the school broke even. In view of the disclution of last year's $49,300 gain, school management should be careful not to fall into a deficit situation.

## Comments

Private school tuition and fees cover 80% ($814/1019) of the operating costs; diocesan schools cover 73% ($686/946); parish schools cover 56% ($590/1053). Contributed services increased slightly for private schools, remained at the same level for diocesan schools, and increased sharply ($34,100) for the parish schools.

It is worth noting that the enrollment in diocesan and parish schools has been declining by about 20 pupils per year. It is also significant that twelve (12) of these schools had debt retirement obligations in 1976-77, averaging $100,000. As mentioned earlier, of the (200) sample schools used this year and last, sixty (60) reported debt payments, which averaged about $51,000 annually.

Financial Averages and Models
School Enrollment...Over 1,000
Including Contributed Services

| Private Schools (13) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $ 973,800 | $1,048,900 | $1,110,200 |
| Contributed Services | 180,600 | 193.500 | 202,100 |
| Subsidies | 6,500 | 5,800 | 6,000 |
| Fund Raising | 40,100 | 49,200 | 48,900 |
| Other Income | 73,600 | 67,300 | 67,300 |
| Operating Revenue | $1,274,600 | $1,364,700 | $1,434,500 |
| Operating Expenses | $1,186,700 | $1,297,100 | $1,390,000 |
| Operating Gain | $ 87,900 | $ 67,600 | $ 44,500 |
| Enrollment | 1,369 | 1,367 | 1,365 |
| Professional Staff | 71 | 71 | 69.7 |
| Ratio: Pupils/Staff | 19.3/1 | 19.3/1 | 19.6/1 |
| Per Pupil Operating Cost | $ 867 | $ 949 | $ 1,019 |
| Per Pupil Tuition & Fees | $ 711 | $ 767 | $ 814 |

| Diocesan Schools (17) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $ 723,500 | $ 806,100 | $ 859,600 |
| Contributed Services | 126,000 | 125,300 | 124,100 |
| Subsidies | 117,900 | 110,200 | 129,100 |
| Fund Raising | 41,200 | 40,300 | 48,300 |
| Other Income | 36,500 | 40,500 | 43,100 |
| Operating Revenue | $1,045,100 | $1,122,400 | $1,204,200 |
| Operating Expenses | $1,028,200 | $1,087,800 | $1,184,400 |
| Operating Gain | $ 16,900 | $ 34,600 | $ 19,800 |
| Enrollment | 1,294 | 1,273 | 1,253 |
| Professional Staff | 66 | 66 | 65.8 |
| Ratio: Pupils/Staff | 19.6/1 | 19.3/1 | 19.0/1 |
| Per Pupil Operating Cost | $ 795 | $ 855 | $ 946 |
| Per Pupil Tuition & Fees | $ 559 | $ 633 | $ 686 |

| Parish Schools (5) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $ 839,000 | $ 965,600 | $1,015,500 |
| Contributed Services | 207,400 | 217,600 | 251,700 |
| Subsidies | 291,000 | 338,600 | 387,500 |
| Fund Raising | 27,200 | 39,600 | 65.500 |
| Other Income | 97,000 | 75,400 | 95,300 |
| Operating Revenue | $1,461,600 | $1,636,800 | $1,815,500 |
| Operating Expenses | $1,433,500 | $1,587,500 | $1,812,600 |
| Operating Gain | $ 28,100 | $ 49,300 | $ 2,900 |
| Enrollment | 1,760 | 1,741 | 1,721 |
| Professional Staff | 91 | 92 | 92.5 |
| Ratio: Pupils/Staff | 19.3/1 | 18.9/1 | 18.6/1 |
| Per Pupil Operating Cost | $ 815 | $ 912 | $ 1,053 |
| Per Pupil Tuition & Fees | $ 477 | $ 555 | $ 590 |

APPENDIX A

(200) Catholic High Schools
Reflected in this Report

| New England Region: | Diocese, State |
|---|---|
| St. Paul Cath HS | Hartford, CT |
| Holy Cross HS | Hartford, CT |
| Notre Dame/W Haven | Hartford, CT |
| Xavier HS | Norwich, CT |
| John Baptist HS | Portland, ME |
| St. John's Prep | Boston, MA |
| Marian HS | Boston, MA |
| Presentation of Mary | Boston, MA |
| St. Rose HS | Boston, MA |
| Bishop Connolly HS | Fall River, MA |
| Cathedral HS | Springfield, MA |
| St. John's HS | Worcester, MA |
| St. Raphael Acad | Providence, RI |
| St. Patrick HS | Providence, RI |

| Mideast Region: | Diocese, State |
|---|---|
| St. John's College | Washington, D.C. |
| Immaculata Prep | Washington, D.C. |
| Archbshp Carroll HS | Washington, D.C. |
| Mt. St. Joseph HS | Baltimore, MD |
| Mercy HS | Baltimore, MD |
| The Cath HS of Balt | Baltimore, MD |
| Archbshp Curley HS | Baltimore, MD |
| Our Lady of Mercy | Camden, NJ |
| Sacred Heart HS | Camden, NJ |
| Seton Hall Prep | Newark, NJ |
| Marist HS | Newark, NJ |
| Paramus Cath Girls HS | Newark, NJ |
| Paramus Cath Boys HS | Newark, NJ |
| St. Dominic Acad | Newark, NJ |
| Acad O/T Sacred Hrt | Newark, NJ |
| Bayley-Ellard HS | Paterson, NJ |
| Notre Dame HS | Trenton, NJ |
| Xaverian HS | Brooklyn, NY |
| St Joseph Coll Inst | Buffalo, NY |
| Villa Maria Academy | Buffalo, NY |
| Immaculata Academy | Buffalo, NY |
| Mt St Michael Acad | New York, NY |
| O/L of Lourdes HS | New York, NY |
| John S. Burke Cath HS | New York, NY |
| Mother Cabrini HS | New York, NY |
| St. Catherine Acad | New York, NY |
| Blessed Sacrament HS | New York, NY |
| Rosary Academy | New York, NY |
| Mt.St.Mary HS | New York, NY |
| Immaculate Heart Cntrl | Ogdensburg, NY |
| Cardinal Mooney HS | Rochester, NY |
| O/L of Mercy HS | Rochester, NY |
| McQuaid Jesuit HS | Rochester, NY |
| St. Agnes Cathdrl HS | Rockvl Ctr, NY |
| Central Cath HS | Allentown, PA |
| St. Francis Acad | Allentown, PA |

| Mideast (continued): | Diocese, State |
|---|---|
| Bishop Carroll HS | Altoona, PA |
| Elk Cty Christian HS | Erie, PA |
| St. Benedict Academy | Erie, PA |
| W.Phila Cath Boys HS | Philadelphia, PA |
| Mt.St.Joseph Acad | Philadelphia, PA |
| Pittsburgh Cntrl Cath | Pittsburgh, PA |
| North Catholic HS | Pittsburgh, PA |
| Canevin HS | Pittsburgh, PA |
| Lawrenceville Cath | Pittsburgh, PA |
| Sacred Heart HS | Pittsburgh, PA |
| St.Thomas District HS | Pittsburgh, PA |
| Boyle HS | Pittsburgh, PA |
| Monongahela Valley HS | Pittsburgh, PA |
| Vincentian HS | Pittsburgh, PA |
| Ursuline Academy | Pittsburgh, PA |
| Scranton Prep | Scranton, PA |
| Bishop Klonowski HS | Scranton, PA |

| Great Lakes Region: | Diocese, State |
|---|---|
| Mater Dei HS | Belleville, IL |
| Gibault HS | Belleville, IL |
| Holy Cross HS | Chicago, IL |
| St. Viator HS | Chicago, IL |
| Marian Catholic | Chicago, IL |
| St. Lawrence HS | Chicago, IL |
| Immaculate Heart HS | Chicago, IL |
| Josephinum HS | Chicago, IL |
| St. Gregory HS | Chicago, IL |
| Hales Franciscan HS | Chicago, IL |
| Visitation HS | Chicago, IL |
| Montini HS | Joliet, IL |
| St. Francis Acad | Joliet, IL |
| St. Bede Acad | Peoria, IL |
| Marian Cntrl Cath HS | Rockford, IL |
| Aurora Cntrl Cath HS | Rockford, IL |
| Quincy Notre Dame HS | Springfield, IL |
| St. Theresa HS | Springfield, IL |
| Marquette HS | Springfield, IL |
| Bishop Luers HS | Ft W/S Bend, IN |
| Andrean HS | Gary, IN |
| Bishop Chatard HS | Indianapolis, IN |
| Cardinal Ritter HS | Indianapolis, IN |
| Catholic Central HS | Detroit, MI |
| Brother Rice HS | Detroit, MI |
| Shrine HS | Detroit, MI |
| Monroe Catholic HS | Detroit, MI |
| Immaculata HS | Detroit, MI |
| Catholic Central HS | Grand Rapids, MI |
| Lumen Christi HS | Lansing, MI |
| Lake Catholic HS | Cleveland, OH |
| St. Joseph HS | Cleveland, OH |
| Regina HS | Cleveland, OH |

| Great Lakes (cont'd): | Diocese, State |
|---|---|
| Trinity HS | Cleveland, OH |
| St. Augustine Acad | Cleveland, OH |
| Archbishop Hoban HS | Cleveland, OH |
| Walsh Jesuit HS | Cleveland, OH |
| Chanel HS | Cleveland, OH |
| Erieview Catholic HS | Cleveland, OH |
| Cathedral Latin Sch | Cleveland, OH |
| Marion Catholic HS | Columbus, OH |
| Central Catholic HS | Toledo, OH |
| Lima Central Cath HS | Toledo, OH |
| McAuley HS | Toledo, OH |
| St. Mary's Centrl Cath | Toledo, OH |
| Ursline HS | Youngstown, OH |
| Cardinal Mooney HS | Youngstown, OH |
| St. Joseph Acad | Green Bay, WI |
| Premontre HS | Green Bay, WI |
| Assumption HS | La Crosse, WI |
| Newman HS | La Crosse, WI |
| Regis HS | La Crosse, WI |
| Edgewood HS | Madison, WI |
| Pius XI HS | Milwaukee, WI |
| Dominican HS | Milwaukee, WI |
| Messmer HS | Milwaukee, WI |
| St. Mary's Springs HS | Milwaukee, WI |
| St. Mary's Acad | Milwaukee, WI |

| Plains Region: | Diocese, State |
|---|---|
| Keokuk Cath Schools | Davenport, IA |
| Marquette Sch Inc. | Davenport, IA |
| Assumption HS | Davenport, IA |
| Dowling HS | Des Moines, IA |
| Wahlert HS | Dubuque, IA |
| Hayden HS | Kansas City, KS |
| Msgr. Luckey HS | Salina, KS |
| Bshp Carroll/Mt.Carmel | Wichita, KS |
| Sacred Heart HS | Crookston, MN |
| Benilde-St.MargaretsHS | St. Paul, MN |
| Loyola/Fitzgerald | Winona, MN |
| Good Counsel Academy | Winona, MN |
| Gelias HS | JeffersonCity,MO |
| Rockhurst HS | KC-St.Joseph,MO |
| Notre Dame de Sion | KC-St.Joseph,MO |
| Incarnate Word Acad | St. Louis, MO |
| St. Pius X HS | St. Louis, MO |
| Notre Dame HS | St. Louis, MO |
| Christian Bros Coll | St. Louis, MO |
| St.Louis Univ. HS | St. Louis, MO |
| De Smet HS | St. Louis, MO |
| Central Cath HS | Grand Island,NE |
| Acquinas HS | Lincoln, NE |
| Creighton Prepar. | Omaha, NE |
| Scotus Cntrl Cath | Omaha, NE |
| Cedar Cath HS | Omaha, NE |
| Archbshp Bergan | Omaha, NE |
| St. Martin's Acad | Rapid City, SD |

| Southeast Region: | Diocese, State |
|---|---|
| John Carroll HS | Birmingham, AL |
| Montgomery Cath HS | Mobile, AL |
| Madonna Acad | Miami, FL |
| Bishop Moore HS | Orlando, FL |
| St.Joseph Acad | St. Augustine, FL |
| St. Petersburg HS | St. Petersburg, FL |
| Tampa Catholic HS | St. Petersburg, FL |
| Marist School | Atlanta, GA |
| St. Pius X HS | Atlanta, GA |
| Lexington Cath HS | Covington, KY |
| Assumption HS | Louisville, KY |
| Angela Merici HS | Louisville, KY |
| St. Xavier HS | Louisville, KY |
| Trinity HS | Louisville, KY |
| St.Vincent's Acad | Alexandria, LA |
| Catholic HS | Baton-Rouge, LA |
| Edw Douglas White | Houma-Thib., LA |
| Brother Martin HS | New Orleans, LA |
| Archbshp Chapelle HS | New Orleans, LA |
| St. Aloysius HS | Jackson, MS |
| Charlotte Cath HS | Charlotte, NC |
| Bishop Byrne HS | Memphis, TN |

| West/Far West Region: | Diocese, State |
|---|---|
| Brophy Coll Prepar. | Phoenix, AZ |
| St.John Bosco HS | Los Angeles, CA |
| St.Francis HS | Los Angeles, CA |
| Bshp Mora Salesian HS | Los Angeles, CA |
| Notre Dame HS | Los Angeles, CA |
| La Salle HS | Los Angeles, CA |
| St.Bonaventure HS | Los Angeles, CA |
| Sacred Heart of Mary | Los Angeles, CA |
| Moreau HS | Oakland, CA |
| St. Joseph HS | Oakland, CA |
| St. Patrick HS | Sacramento, CA |
| St. Francis HS | Sacramento, CA |
| St.Vincent Ferrer HS | Sacramento, CA |
| St.Ignatius Col Prep | San Francisco, CA |
| Cathedral HS | San Francisco, CA |
| Cardinal Newman HS | Santa Rosa, CA |
| St. Mary's HS | Stockton, CA |
| Central Cath HS | Stockton, CA |
| Marycrest HS | Denver, CO |
| Sacred Heart Acad HS | Honolulu, HI |
| Cathedral HS | El Paso, TX |
| Mount Carmel HS | Gal-Houston, TX |
| Providence HS | San Antonio, TX |
| St. Joseph HS | Salt Lake, UT |
| O'Dea HS | Seattle, WA |

APPENDIX B

Financial Averages and Models
School Enrollment...under 300
Without Contributed Services

| Private Schools (11) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $134,700 | $139,400 | $153,000 |
| Subsidies | 4,700 | 10,300 | 3,500 |
| Fund Raising | 8,700 | 8,500 | 9,600 |
| Other Income | 13,200 | 15,000 | 17,100 |
| Operating Revenue | $161,300 | $173,200 | $183,200 |
| Operating Expenses | $154,500 | $170,400 | $191,400 |
| Operating Gain (Loss) | $ 6,800 | $ 2,800 | $ (8,200) |
| Enrollment | 199 | 201 | 194 |
| Professional Staff | 15.3 | 16.5 | 16.9 |
| Ratio: Pupils/Staff | 13.0/1 | 12.2/1 | 11.5/1 |
| Per Pupil Operating Cost | $ 776 | $ 848 | $ 986 |
| Per Pupil Tuition & Fees | $ 677 | $ 693 | $ 789 |

| Diocesan Schools (7) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $140,100 | $153,600 | $168,600 |
| Subsidies | 54,900 | 47,500 | 43,200 |
| Fund Raising | 14,600 | 18,500 | 27,100 |
| Other Income | 7,500 | 7,500 | 9,100 |
| Operating Revenue | $217,100 | $227,100 | $248,000 |
| Operating Expenses | $214,000 | $230,200 | $243,800 |
| Operating Gain (Loss) | $ 3,100 | $ (3,100) | $ 4,200 |
| Enrollment | 259 | 255 | 264 |
| Professional Staff | 19.1 | 18.3 | 19.2 |
| Ratio: Pupils/Staff | 13.6/1 | 13.9/1 | 13.7/1 |
| Per Pupil Operating Cost | $ 826 | $ 902 | $ 924 |
| Per Pupil Tuition & Fees | $ 541 | $ 602 | $ 639 |

| Parish Schools (8) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $104,300 | $107,100 | $113,500 |
| Subsidies | 31,700 | 29,000 | 70,800 |
| Fund Raising | 3,100 | 3,300 | 8,400 |
| Other Income | 14,000 | 18,900 | 24,300 |
| Operating Revenue | $153,100 | $158,300 | $217,000 |
| Operating Expenses | $146,200 | $161,400 | $216,800 |
| Operating Gain (Loss) | $ 6,900 | $ (3,100) | $ 200 |
| Enrollment | 220 | 218 | 228 |
| Professional Staff | 15.8 | 15.8 | 17.1 |
| Ratio: Pupils/Staff | 13.9/1 | 13.8/1 | 13.4/1 |
| Per Pupil Operating Cost | $ 665 | $ 740 | $ 951 |
| Per Pupil Tuition & Fees | $ 474 | $ 491 | $ 498 |

Financial Averages and Models
School Enrollment...300 - 500
Without Contributed Services

| Private Schools (16) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $284,500 | $305,100 | $323,100 |
| Subsidies | 25,100 | 25,900 | 19,800 |
| Fund Raising | 24,300 | 24,100 | 41,600 |
| Other Income | 24,100 | 25,600 | 22,600 |
| Operating Revenue | $358,000 | $380,700 | $407,100 |
| Operating Expenses | $352,200 | $369,200 | $401,900 |
| Operating Gain | $ 5,800 | $ 11,500 | $ 5,200 |
| Enrollment | 417 | 420 | 420 |
| Professional Staff | 28 | 28 | 28.9 |
| Ratio: Pupils/Staff | 14.9/1 | 15/1 | 14.5/1 |
| Per Pupil Operating Cost | $ 845 | $ 879 | $ 957 |
| Per Pupil Tuition & Fees | $ 682 | $ 726 | $ 769 |

| Diocesan Schools (19) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $218,000 | $230,900 | $259,700 |
| Subsidies | 67,400 | 67,800 | 73,700 |
| Fund Raising | 21,300 | 26,700 | 31,800 |
| Other Income | 16,800 | 18,300 | 13,900 |
| Operating Revenue | $323,500 | $343,700 | $379,100 |
| Operating Expenses | $321,700 | $347,400 | $378,700 |
| Operating Gain (Loss) | $ 1,800 | $ (3,700) | $ 400 |
| Enrollment | 430 | 424 | 429 |
| Professional Staff | 26 | 26 | 26.5 |
| Ratio: Pupils/Staff | 16.5/1 | 16.3/1 | 16.2/1 |
| Per Pupil Operating Cost | $ 748 | $ 819 | $ 883 |
| Per Pupil Tuition & Fees | $ 507 | $ 545 | $ 606 |

| Parish Schools (14) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $171,900 | $194,500 | $208,000 |
| Subsidies | 110,600 | 117,000 | 120,500 |
| Fund Raising | 19,000 | 22,100 | 22,800 |
| Other Income | 13,200 | 11,100 | 18,100 |
| Operating Revenue | $314,700 | $344,700 | $369,400 |
| Operating Expenses | $309,300 | $329,400 | $355,800 |
| Operating Gain | $ 5,400 | $ 15,300 | $ 13,600 |
| Enrollment | 414 | 423 | 428 |
| Professional Staff | 25 | 26 | 29.0 |
| Ratio: Pupils/Staff | 16.6/1 | 16.3/1 | 14.7/1 |
| Per Pupil Operating Cost | $ 747 | $ 779 | $ 831 |
| Per Pupil Tuition & Fees | $ 415 | $ 460 | $ 486 |

Financial Averages and Models
School Enrollment...500 - 750
Without Contributed Services

| Private Schools (25) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $454,900 | $496,000 | $502,300 |
| Subsidies | 10,100 | 10,700 | 14,300 |
| Fund Raising | 55,000 | 69,200 | 76,800 |
| Other Income | 35,400 | 42,200 | 50,600 |
| Operating Revenue | $555,400 | $618,100 | $644,000 |
| Operating Expenses | $539,000 | $578,600 | $632,200 |
| Operating Gain | $ 16,400 | $ 39,500 | $ 11,800 |
| | | | |
| Enrollment | 640 | 650 | 651 |
| Professional Staff | 40.2 | 41 | 42.3 |
| Ratio: Pupils/Staff | 15.9/1 | 15.9/1 | 15.4/1 |
| Per Pupil Operating Cost | $ 842 | $ 890 | $ 971 |
| Per Pupil Tuition & Fees | $ 711 | $ 763 | $ 772 |

| Diocesan Schools (13) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $352,900 | $374,200 | $434,100 |
| Subsidies | 91,900 | 95,400 | 94,500 |
| Fund Raising | 33,000 | 32,000 | 37,900 |
| Other Income | 25,100 | 34,600 | 25,900 |
| Operating Revenue | $502,900 | $536,200 | $592,400 |
| Operating Expenses | $498,400 | $526,500 | $576,800 |
| Operating Gain | $ 4,500 | $ 9,700 | $ 15,600 |
| | | | |
| Enrollment | 639 | 636 | 653 |
| Professional Staff | 36.2 | 36.6 | 37.4 |
| Ratio: Pupils/Staff | 17.7/1 | 17.4/1 | 17.5/1 |
| Per Pupil Operating Cost | $ 780 | $ 828 | $ 883 |
| Per Pupil Tuition & Fees | $ 552 | $ 588 | $ 664 |

| Parish Schools (16) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $292,200 | $326,200 | $360,500 |
| Subsidies | 101,100 | 99,500 | 121,300 |
| Fund Raising | 28,000 | 38,200 | 45,300 |
| Other Income | 25,700 | 25,700 | 26,800 |
| Operating Revenue | $447,000 | $489,600 | $553,900 |
| Operating Expenses | $432,100 | $465,700 | $538,500 |
| Operating Gain | $ 14,900 | $ 23,900 | $ 15,400 |
| | | | |
| Enrollment | 635 | 632 | 651 |
| Professional Staff | 35.8 | 35.6 | 36.9 |
| Ratio: Pupils/Staff | 17.7/1 | 17.7/1 | 17.6/1 |
| Per Pupil Operating Cost | $ 680 | $ 737 | $ 827 |
| Per Pupil Tuition & Fees | $ 460 | $ 516 | $ 554 |

Financial Averages and Models
School Enrollment...750 - 1,000
Without Contributed Services

| Private Schools (18) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $683,700 | $737,800 | $834,700 |
| Subsidies | 300 | 600 | --- |
| Fund Raising | 64,400 | 64,000 | 84,100 |
| Other Income | 55,600 | 54,500 | 69,500 |
| Operating Revenue | $804,000 | $856,900 | $988,300 |
| Operating Expenses | $736,900 | $783,900 | $929,600 |
| Operating Gain | $ 67,100 | $ 73,000 | $ 58,700 |
| Enrollment | 869 | 880 | 880 |
| Professional Staff | 52 | 52 | 54.6 |
| Ratio: Pupils/Staff | 16.7/1 | 16.9/1 | 16.1/1 |
| Per Pupil Operating Cost | $ 848 | $ 891 | $ 1,056 |
| Per Pupil Tuition & Fees | $ 787 | $ 838 | $ 949 |

| Diocesan Schools (11) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $496,000 | $534,000 | $610,600 |
| Subsidies | 91,400 | 97,000 | 115,900 |
| Fund Raising | 33,800 | 39,000 | 21,300 |
| Other Income | 29,900 | 33,000 | 22,200 |
| Operating Revenue | $651,100 | $703,000 | $770,000 |
| Operating Expenses | $648,800 | $701,800 | $763,000 |
| Operating Gain | $ 2,300 | $ 1,200 | $ 7,000 |
| Enrollment | 874 | 860 | 878 |
| Professional Staff | 47 | 48 | 49,5 |
| Ratio: Pupils/Staff | 18.6/1 | 17.9/1 | 17.7/1 |
| Per Pupil Operating Cost | $ 742 | $ 816 | $ 869 |
| Per Pupil Tuition & Fees | $ 568 | $ 621 | $ 696 |

| Parish Schools (7) | Parish Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $426,400 | $480,000 | $450,600 |
| Subsidies | 120,400 | 137,100 | 114,300 |
| Fund Raising | 20,000 | 24,600 | 40,900 |
| Other Income | 55,300 | 49,000 | 60,600 |
| Operating Revenue | $622,100 | $690,700 | $666,400 |
| Operating Expenses | $635,500 | $675,600 | $646,000 |
| Operating Gain (Loss) | $(13,400) | $ 15,100 | $ 20,400 |
| Enrollment | 850 | 866 | 851 |
| Professional Staff | 48 | 47 | 47.0 |
| Ratio: Pupils/Staff | 17.7/1 | 18.4/1 | 18.1/1 |
| Per Pupil Operating Cost | $ 748 | $ 780 | $ 759 |
| Per Pupil Tuition & Fees | $ 502 | $ 554 | $ 529 |

Financial Averages and Models
School Enrollment...Over 1,000
Without Contributed Services

| Private Schools (13) | Private Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $ 973,800 | $1,048,900 | $1,110,100 |
| Subsidies | 6,500 | 5,800 | 6,000 |
| Fund Raising | 40,100 | 49,200 | 48,900 |
| Other Income | 73,600 | 67,300 | 67,300 |
| Operating Revenue | $1,094,000 | $1,171,200 | $1,232,300 |
| Operating Expenses | $1,006,100 | $1,103,600 | $1,187,800 |
| Operating Gain | $ 87,900 | $ 67,600 | $ 44,500 |
| Enrollment | 1,369 | 1,367 | 1,365 |
| Professional Staff | 71 | 71 | 69.7 |
| Ratio: Pupils/Staff | 19.3/1 | 19.3/1 | 19.6/1 |
| Per Pupil Operating Cost | $ 735 | $ 807 | $ 870 |
| Per Pupil Tuition & Fees | $ 711 | $ 767 | $ 814 |

| Diocesan Schools (17) | Diocesan Schools 1975-76 | 1976-77 | 1977-78 |
|---|---|---|---|
| Tuition and Fees | $ 723,500 | $ 806,100 | $ 859,600 |
| Subsidies | 117,900 | 110,200 | 129,100 |
| Fund Raising | 41,200 | 40,300 | 48,300 |
| Other Income | 36,500 | 40,500 | 43,100 |
| Operating Revenue | $ 919,100 | $ 997,100 | $1,080,100 |
| Operating Expenses | $ 902,200 | $ 962,500 | $1,060,300 |
| Operating Gain | $ 16,900 | $ 34,600 | $ 19,800 |
| Enrollment | 1,294 | 1,273 | 1,253 |
| Professional Staff | 66 | 66 | 65.8 |
| Ratio: Pupils/Staff | 19.6/1 | 19.3/1 | 19.0/1 |
| Per Pupil Operating Cost | $ 697 | $ 756 | $ 846 |
| Per Pupil Tuition & Fees | $ 559 | $ 633 | $ 686 |

| Parish Schools (5) | Parish Schools 1975-76 | 1976-77 | 197[illegible]-78 |
|---|---|---|---|
| Tuition and Fees | $ 839,000 | $ 965,600 | $1,015,500 |
| Subsidies | 291,000 | 338,600 | 387,500 |
| Fund Raising | 27,200 | 39,600 | 65,600 |
| Other Income | 97,000 | 75,400 | 95,300 |
| Operating Revenue | $1,254,200 | $1,419,200 | $1,563,900 |
| Operating Expenses | $1,226,100 | $1,369,900 | $1,561,000 |
| Operating Gain | $ 28,100 | $ 49,300 | $ 2.900 |
| Enrollment | 1,760 | 1,741 | 1,721 |
| Professional Staff | 91 | 92 | 92.5 |
| Ratio: Pupils/Staff | 19.3/1 | 18.9/1 | 18.6/1 |
| Per Pupil Operating Cost | $ 697 | $ 787 | $ 907 |
| Per Pupil Tuition & Fees | $ 477 | $ 555 | $ 590 |

*Return To:*

# NATIONAL CATHOLIC EDUCATIONAL ASSOCIATION

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Principal _____

School _____

Address _____

Location _____

Telephone _____ Diocese _____

Type of School? Parochial_____ Inter-Parochial_____ Diocesan_____ Private_____

Location? Urban_____ Suburban_____ Rural_____

*See Reverse Side for Explanations, Descriptions.*

OMIT CENTS

| **Sources of Income:** | 1976-77 | 1977-78 |
|---|---|---|
| 1. Tuition and Fees | | |
| 2. Contributed Services (See Reverse Side) | | |
| 3. Subsidy (Subsidized By _____) | | |
| 4. Fund-Raising (See Reverse Side) | | |
| 5. Gain on Auxiliary Services (See Reverse Side) | | |
| 6. All (Any) Other Income (See Reverse Side) | | |
| 7. Total Operating Income | | |

| **Operating Expenses:** | | |
|---|---|---|
| 8. Salaries & Fringe Benefits – Lay Professional Staff | | |
| 9. Salaries & Fringe Benefits – Religious Professional Staff | | |
| 10. Salaries & Fringe Benefits – All Other Supporting Staff | | |
| 11. Contributed Services (See Reverse Side) | | |
| 12. All Other Operating Expenses (See Reverse Side) | | |
| 13. Total Operating Expenses | | |

| | | |
|---|---|---|
| 14. **Operating Gain (Loss)** ..... **(Line 7 Minus Line 13)** | | |

**Note:** Do Not Include School Debt Retirement Provisions, Funds Raised for Capital Improvements, or Capital Expenditures in the Above Operating Figures.

| **Other Information:** | | |
|---|---|---|
| 15. Opening Fall Enrollment (For Per Pupil Costs) | | |
| 16. Professional Staff (Full-Time Equivalent) – Lay | | |
| 17. Professional Staff (Full-Time Equivalent) – Religious | | |
| 18. Tuition & Fee Charges (First Person in Family) | | |

Person Reporting _____ Title _____

## DEFINITIONS AND EXPLANATIONS

**TYPE OF SCHOOL?**

**URBAN** — Within the city limits of a city (or twin cities) with a population of 50,000 or more (major city).

**SUBURBAN** — An area outside the limits of a major city, but functionally bound to a major city.

**RURAL** — An area of less than 50,000 population, and not functionally bound to a major city.

**SOURCES OF INCOME**

2. **CONTRIBUTED SERVICES:** The difference between the actual wages paid to religious (including personal expenses paid on their behalf) and the salaries paid lay personnel in identical employment at your school. The value of these services contributed should be reflected as income, and included among expenses (either by charging total salary evaluations to the appropriate salary accounts or by adding one total amount).

Contributed Services should be computed as follows:

Valuation of Religious Personnel (at lay salary scale)..... $_____

Less: Direct wages and fringe benefits paid religious ..... _____

Less: Expenses paid on their behalf..... _____

(Net) Contributed services valuation (Line 2) ..... $_____

3. **SUBSIDY:** Diocese? Parish? Religious Community?

4. **FUND-RAISING:** Raffles, Festivals, Bingo's, Dances, Donations, Mom/Dad's Club, etc.

5. **AUXILIARY SERVICES:** Incomes and expenses from auxiliary services should be netted, a net gain providing an additional source of revenue, while a net loss is an additional expense. Otherwise, gross revenue would be misleading, and total expenses would distort educational expenses, per pupil costs, etc. The usual auxiliary services are cafeterias, bookstore, bussing, dormitories, summer camps. A net gain should be shown on Line 5. A net loss should be included on Line 12 with "All Other Operating Expenses."

6. **ALL OTHER INCOME:** This is a catch-all category which often includes items such as rental income, interest on investments, federal lunch money, and athletic receipts. Any support of a fund-raising nature should be included on Line 4.

**OPERATING EXPENSES**

11. **CONTRIBUTED SERVICES:** As indicated, the appropriate cost of salaries for religious personnel can be booked either by charging the salary accounts with total salary evaluations (included in Line 9), or by adding one total amount (Line 11) which is equal to the income shown above (Line 2).

12. **ALL OTHER OPERATING EXPENSES:** All of the remaining operating expenses, e.g. books, instructional equipment, maintenance supplies and repairs, utilities, office supplies, insurance, etc. If there is a net loss on an auxiliary service (e.g. the book store), the loss should be included here.

**OTHER INFORMATION**

**16. & 17. PROFESSIONAL STAFF:** Classroom teachers, principals, librarian, guidance, business manager, etc. This will be used for staff/student ratios. Report full-time equivalents. Do not include supporting staff, e.g. office and maintenance personnel, cafeteria, bookstore, etc.

18. **TUITION AND FEE CHARGES:** The amount charged for tuition and usual fees at your school, before any discounts or allowances.

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